has effectively banned all imports of these goods.

The President's fast track proposal—section 2(b)(6)(C)(iii)—states that unjustified phytosanitary restrictions should be eliminated, but there is no language requiring that scientifically based standards be established before a trade agreement can be signed.

Third, dispute resolution: The previous free trade agreement with Canada, and the NAFTA agreement, established a process for resolving disputes. But the process does not always work. For example:

California growers have complained in the past about Mexican inspectors being unavailable at the border, so shipments are delayed.

There is also no timely method of solving a dispute within a matter of hours. This is important when perishable goods are sitting at a border or a port warehouse awaiting a decision.

A bigger problem now is that if a Mexican inspector finds a pest and does not know whether that pest is subject to quarantine, it reportedly takes a week for the inspector to find out. No shipper can leave fruit sitting at the border for a week.

In January of last year, Mexico shipped over 8,000 boxes of brussels sprouts to the United States market causing the price to drop literally in half. This product dumping caused the price to drop to a level from which the brussel sprout industry could not recover during that season.

The dispute resolution process needs to be strengthened to include a mechanism for swift resolution—within 48 hours—when a dispute involves perishable commodities.

Fourth, environmental standards: I agree with many of my colleagues that we should not encourage a race to the bottom, in which the country with the weakest environmental protection wins the prize of economic growth.

We all know that pollution knows no geographic boundaries. U.S. commitment to preserving the quality of our environment should be as vigorous as our commitment to open markets, and that commitment should be reflected in our trade agreements to the greatest extent possible.

For example, large numbers of American companies have located in Mexico. The pollution from these companies goes into the New River, which flows north into the United States, terminating at the Salton Sea. I have flown over the New River, and I have seen first hand the extent of the pollution which is killing the Salton Sea. No companies in the United States can do what is being done in Mexicali.

Also, Mexican farmers have access to pesticides and other chemicals that are not available to American growers. These disparities will only increase as we enforce our own laws.

California growers will soon face an uneven playing field regarding the use of methyl bromide, a widely used soil and post-harvest fumigant. Under the Clean Air Act, the United States is phasing out the use of methyl bromide by 2001, but our trading partners will continue to use the chemical. Moreover, many of our trading partners require our growers to fumigate their crops with methyl bromide before the commodity is shipped.

U.S. requirements to control particulate matter will add costs to U.S. producers, while no comparable requirements are being imposed on many of our trading partners.

Our trade agreements should encourage our trading partners to live up to the highest environmental standards, not put added pressure on American companies to lower our standards.

Fifth, manufacturing base and labor standards: I also share the concern raised by many of my Democratic colleagues that we need to be particularly careful to protect our manufacturing base, and not undermine labor standards, as we negotiate new trade agreements.

At one point, California was home to six automobile manufacturing plants, but today we are reduced to one. Once we lose our manufacturing capacity, I am very concerned it will be very difficult if not impossible to reclaim.

Akio Morita, the chairman of Sony, made a blunt assessment of the situation: he said America will cease to be a world power if it loses its manufacturing base. I wholeheartedly agree.

Service jobs, like energy and transportation services—which have fueled much of my State's economic rebound—are important, but can't compensate for the loss of higher-wage manufacturing jobs in this country. And if we lose our manufacturing base, we lose the service jobs, technology advances, and innovation that go with it.

U.S. manufacturers already face enormous pressure to relocate manufacturing capability abroad to meet the regulatory and competitive demands of foreign nations.

The Semiconductor Industry Association, representing the makers of computers chips, says 30 percent of their investment abroad is due to chipmakers' desire to avoid high tariffs or meet a foreign government's requirement that manufacturing be done in their country, in order to sell in an otherwise closed market.

For example: China's $3 billion semiconductor market is growing rapidly. But they have a closed market, imposing high tariffs unless the manufacturer builds a plant in their country.

This is a $132 billion worldwide market and is expected to reach $245 billion market by the year 2000. California is the Nation's leading chip producing State, so this is enormously important to my State.

U.S. trade agreements must aggressively tear down the trade restrictions that force U.S. manufacturers overseas.

U.S. manufacturers often cannot compete with foreign countries on wage costs.

One of the arguments advanced by NAFTA supporters was the expansion of trade will boost the economies of our trading partners—and theoretically their wages—and expand the demand for our products in return. However, based on our NAFTA experience, the theory has not materialized.

According to the Labor Department, the wage gap between United States and Mexico workers is widening, rather than narrowing. In 1993, Mexican wages were 15 percent of those in the United States. Today, they are 8 percent.

This decline in wages is not solely the effect of the Mexican peso crisis. In 1994—before the peso collapse—real hourly wages in Mexico had already dropped to nearly 30 percent below their 1980 level—UC-Berkeley sociologist Harley Shaiken.

Mexico's financial problems only exacerbated the trend. Since 1994, real wages in Mexico have dropped another 25 percent to roughly half their 1980 level.

Clearly, NAFTA has not yet improved the wages of Mexican labor.

Conclusion: Any fast track legislation must contain the following assurances:

There must be a mechanism for swift and effective dispute resolutions.

There must be language included stipulating that any agreement negotiated under fast track must set equal tariffs between the United States and our trading partners before the United States agrees to lower tariffs further.

There must be mandatory mutual acceptance of scientifically-sound phytosanitary standards.

There must be enforceable environmental standards in place.

And there must be labor and wage provisions, and aggressive reduction of trade barriers, to protect our manufacturing future.

Without these assurances written into the bill, I am very concerned that extension of fast track authority would give away, once again, the only ability I have as a U.S. Senator to influence trade agreements to see that they are responsive to the concerns of my State and important industries.

Until these concerns are addressed, Mr. President, I must oppose any extension of fast-track authority.

CAMPAIGN FINANCE REFORM

Mr. SMITH of New Hampshire. Mr. President, I rise to speak in opposition to the motion to invoke cloture on S. 25, the McCain-Feingold campaign finance reform bill.

Throughout my years in Congress, I have supported efforts to reform campaign finance laws. I have, for example, voted to eliminate political action committees and to prohibit the use of the congressional franking privilege for mass mailings.

Along with Senators GREGG, TORRICELLI, and JOHNSON, I am cosponsoring in this Congress legislation to establish a bipartisan commission that

would recommend campaign finance reforms. The Claremont Commission Act, which is named after the agreement reached between President Clinton and Speaker GINGRICH at a meeting in my home State of New Hampshire, would establish a nine-member commission to examine campaign finance rules and propose comprehensive legislation for reform.

The Claremont Commission would make recommendations based on good policy, not politics. The creation of such a commission finally would make good on the promise that President Clinton and Speaker GINGRICH made when they shook hands in Claremont in May, 1995.

Mr. President, the McCain-Feingold campaign finance reform bill is seriously flawed. Indeed, I believe that it is unconstitutional because it unduly restricts the freedom of speech that is guaranteed by the first amendment to our Nation's Constitution.

The bill's ban on soft money is a restriction on free speech. Even worse, in my view, the bill's severe limitations on so-called issue advocacy advertisements that mention a candidate's name, or show the candidate's likeness, within 60 days of an election, involve a direct regulation of the content of political speech.

Out Nation's founders meant to allow free, open, and robust political speech and debate. The McCain-Feingold bill, however, moves to limit free speech and debate. I wholeheartedly agree with my distinguished colleague from Kentucky, Senator MCCONNELL, as well as the many constitutional scholars whose views he has cited, that the McCain-Feingold bill goes too far in regulating and restricting free speech and, therefore, is unconstitutional.

I believe that any meaningful campaign finance reform proposal ought to require candidates to disclose completely to the American people what they spend on their campaigns and from whom they received campaign contributions. Full disclosure, not limitations on free speech, is the right kind of campaign finance reform.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

(The remarks of Mr. GRAMM pertaining to the introduction of S. 1260 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived, we are due to recess.

Mr. GRAMM. Mr. President, we have two other speakers here. I assume they are going to want to extend morning business. If I can, without seeing the Senate adjourn, why don't I yield the floor to Senator WYDEN and he can ask unanimous consent for himself and Senator FRIST, that they each have an opportunity to speak briefly before we adjourn.

I yield to Senator WYDEN.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. I thank my colleague from Texas. I ask unanimous consent, Mr. President, that I be allowed to speak as in morning business for 5 minutes and that Senator FRIST may speak as well for 5 minutes, and there may be at least two other Senators that would like to speak as in morning business for 5 minutes.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that Senator THOMPSON from Tennessee be accorded 5 minutes before the luncheon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WYDEN. Mr. President, I ask unanimous consent that Senator FEINSTEIN be allowed to speak for 5 minutes, as well, as in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GRAMS. Mr. President, I ask unanimous consent to be allowed to speak for up to 5 minutes also before the recess.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President, I also ask unanimous consent that Senator DODD be allowed to speak for up to 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CAMPAIGN FINANCE REFORM

Mr. WYDEN. Mr. President, my first official act as a new U.S. Senator, taken 15 minutes after I was sworn in, was to become a sponsor of the bipartisan campaign finance reform bill that the U.S. Senate will begin to vote on later today.

I strongly believe that political campaigns should be about people and not money. But that is not what is happening in America today. Campaign finance activity has become like the arms race—one side gets $10, the next side gets $20, the other side comes back and gets $30. It spirals up and up—spending that is out of control, spending that is simply unaccountable to voters.

Every Member of the U.S. Senate has devoted hours and hours to fundraising. Every Member of the U.S. Senate knows that when there is an election that Tuesday in November, folks sleep in on Wednesday, and then in November it starts all over again. Every Member of the U.S. Senate knows that America deserves better.

I don't agree with every part of the McCain-Feingold bipartisan campaign finance legislation; I would not pretend otherwise. And I think that is true of many of the sponsors of this legislation. But if this bipartisan bill passes, candidates in America are going to spend more time talking to voters in shopping malls and less time working the phones raising funds. That is going to be good for democracy in America, and I hope the Senate passes this bipartisan bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

(The remarks of Mr. FRIST pertaining to the introduction of S. 1261 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

CAMPAIGN FINANCE REFORM

Mr. GRAMS. Mr. President, I wanted to comment a little bit on the campaign finance debate that is going on.

Mr. President, over the last several months, Americans have expressed grave concern over the daily reports of alleged illegal or improper campaign contributions to the Democratic National Committee and White House during the 1996 campaign cycle. These reports have raised the perception among some Americans that access and votes can be bought in Washington and that the system for financing our Federal campaigns is corrupt and broken.

Consequently, there have been many proposals introduced in the Congress that are intended to change the way in which campaigns for Federal office are financed. Most of these proposals call for enacting new limits on how Americans can exercise their political freedoms. Their stated purpose is to ultimately restore the trust of the public in their Government.

I share the concerns about these reports of irregular and even illegal fundraising during the 1996 elections. However, I disagree that the way to respond to these concerns is to pass new laws that would do nothing more than limit the ability of Americans to exercise their political freedoms guaranteed by the first amendment.

The first amendment has always been the basis for active citizen participation in our political process. The first amendment ensures that, among other things, average Americans can participate in our democratic process through publicly disclosed contributions to campaigns of their choice. It also allows Americans to freely draft letters to the editor, distribute campaign literature, and participate in rallies and get-out-the-vote drives.

In my view, the Federal Government can restore the integrity of our electoral process through greater enforcement of existing laws, increased disclosure of contributions and expenditures, and protection of the rights of Americans to become involved in the democratic process without fear of coercion. We don't need new campaign finance laws. Simply loading new laws upon those which have already been broken will not solve the problem. After all, if campaigns or donors would not obey the current laws, strengthened almost 25 years ago after the Watergate scandal, why would we believe they would